

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Thomas & Kimery Lorenz,**  
Petitioners-Appellants,

v.

**Black Hawk County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 11-07-1478**

**Parcel No. 8913-21-152-041**

On July 5, 2012, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. The Petitioners-Appellants, Thomas and Kimery Lorenz, were self-represented and submitted evidence in support of their position. The Black Hawk County Board of Review designated Attorney David J. Mason as its counsel. The Appeal Board now having examined the entire record, and being fully advised, finds:

***Findings of Fact***

Thomas and Kimery Lorenz, owners of property located at 415 Norris Court, Waterloo, Iowa, appeal from the Black Hawk County Board of Review decision reassessing their property. The real estate was classified residential for the January 1, 2011, assessment and valued at \$196,040; representing \$15,510 in land value and \$180,530 in dwelling value.

Lorenz protested to the Board of Review on the grounds that the property was not equitably assessed as compared to other like properties under Iowa Code section 441.37 (1)(a); and that the property was assessed for more than authorized by law under section 441.37(1)(b). The Board of Review denied the protest stating, “too few comparable properties to prove inequity.”

Lorenzes then appealed to this Board on the same grounds. Lorenzes value the subject property at \$169,707.

The subject property was built in 1978 and is a two-story, frame dwelling. The property has 2280 square feet of living area and a 748 square-foot garage. Both the dwelling and the garage are in normal condition and located on 0.158 acres.

Lorenzes submitted two appraisals to support their claims. Andrew Steffen of Appraisals Pros, LLC, completed the first appraisal. The appraisal's purpose was to determine the fee-simple market value of the subject property for tax appeal. Steffen valued the property at \$169,000 based on inspection date of April 2011, after completing both the sales and cost approaches to value. We note there are actually two different Steffen appraisals in the record. The first appraisal was submitted to the Board of Review and contained only four properties for comparison. Steffen then updated the appraisal to include three additional comparables. His opinion of value, however, did not change. We note this second appraisal was included with the Lorenzes Notice of Appeal and Petition; we do not know if it was subsequently provided to the Board of Review.

Steffen used seven comparable sales and/or listings to appraise the subject property. He noted there was limited comparable sales data available. The sales occurred between January 2010 and January 2011. Comparable 4 was an active listing. We note he did use one ranch property, one one-and-one-half story and several split-level properties, as well as two-story properties, to compare to the subject property but did not make adjustments for the design differences. Steffen did, however, make adjustments for location, site, condition, and additional other factors. He also explained the reasons for the adjustments; and some were due, in part, to the properties being located in a competing community with superior schools. His adjusted range of values was from \$155,300 to \$179,100. He concluded a value of \$169,000 from this approach. The cost approach resulted in a value of \$169,707.

The second appraisal was completed by Perry J. Miller of Valuation Services. Miller valued the subject property at \$165,000 as of October 2008. This appraisal was done for loan refinancing; however, it valued the subject property for market value purposes in fee simple. Without examining

the specific details of the appraisal, we give it little weight because it reflects a market value for the subject property as of 2008, nearly three years prior to the current assessment.

The Black Hawk County did not submit any evidence to this Board. Nor did it submit written comment on Lorenzes' evidence.

Reviewing the entire record, we find Lorenzes proved the subject property is over assessed. The best evidence in the record of the property's fair market value is the Steffen appraisal that values the subject property at \$169,000.

### ***Conclusions of Law***

The Appeal Board based its decision on the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determined anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.* 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If



sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2).

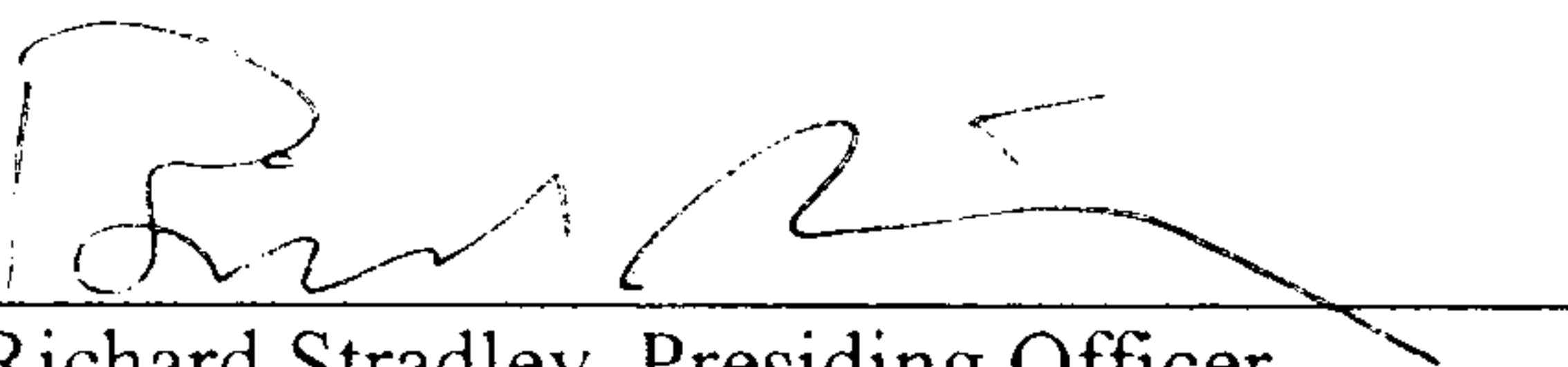
The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).


In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277 (Iowa 1995). Lorenzes submitted two appraisals of their property. While one appraisal was outdated, and therefore, not a reliable indicator of market value as of the assessment date, the other appraisal completed by Steffen is a reliable indicator of value as of January 1, 2011. Viewing the evidence as a whole we determine that substantial evidence exists to support Lorenz's claim of being over-assessed. We, therefore, modify the Lorenz property assessment as determine by the Board of Review to \$169,000; representing \$15,510 in land value and \$153,490 in improvement value.

THE APPEAL BOARD ORDERS the assessment of the Thomas & Kimery Lorenz property located at 415 Norris Court, Waterloo, Iowa, as determined by the Black Hawk County Board of Review is modified as set forth herein.

The Secretary of the State of Iowa Property Assessment Appeal Board shall mail a copy of this Order to the Black Hawk County Auditor and all tax records, assessment books and other records pertaining to the assessments referenced herein on the subject parcels shall be corrected

Dated this 20 day of August 2012.

  
Richard Stradley, Presiding Officer

  
Jacqueline Rypma, Board Member

  
Karen Oberman, Board Member

Copies to:

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>8-20</u> , 2012.	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input checked="" type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	